



The Chronic Illness
Accelerated Benefit Rider

You,
Stronger.

The benefit described in this material is available only as a feature on eligible permanent life insurance products issued through The Penn Mutual Life Insurance Company and its wholly owned subsidiaries, The Penn Insurance and Annuity Company and The Penn Insurance and Annuity Company of New York. This material must be accompanied by the brochure for the underlying product.

It's always better to be prepared.

Most of our permanent life insurance policies come with a built-in feature called the **Chronic Illness Accelerated Benefit (CIAB) Rider**, which lets you access a portion of your policy death benefit in the event you suffer a chronic illness or severe cognitive impairment.¹ It's included at no upfront cost and requires no additional underwriting.

While using the rider will reduce your policy death benefit and cash values, it's a valuable feature intended to help you and your family reduce the financial impacts of a chronic illness.

**You,
Stronger.**

Your financial professional is here to help you become financially stronger today, so you don't have to spend your time worrying about tomorrow.

¹This benefit is automatically included on most permanent life insurance policies issued through The Penn Mutual Life Insurance Company, The Penn Insurance and Annuity Company and The Penn Insurance and Annuity Company of New York, subject to underwriting amount and certain eligibility requirements. Rider availability and features may vary by state. This rider is not part of the NY LTC Partnership program. NY residents, please see page 4 for additional information.

What exactly is chronic illness?

It's important to note that chronic illness can happen at any age — and can result from an illness or sudden accident. Specifically, a condition is considered a chronic illness if for a period of at least 90 consecutive days, the insured:

- Is unable to perform at least two of the following daily activities: bathing, transferring, dressing, eating, continence and toileting, or;
- Requires substantial supervision by another person to avoid injury or harm due to a severe cognitive impairment.

When can I use the rider?

You are eligible to use the rider when a U.S. licensed healthcare practitioner has certified that in the last 12 months the insured has been chronically ill.² The healthcare practitioner must also certify that continuous care in an eligible facility or at home is expected to be required for the remainder of the insured's life. Please note on Survivorship policies, the rider may only be exercised after the first death.

To help you make an informed decision about using the rider, ask your financial professional to provide an illustration that shows how consecutive years of accelerated benefit payments will impact your policy.

How can the rider help?

Unlike long-term-care insurance, there are no restrictions on how the rider's accelerated benefits can be used. For example, the rider can be used to help with medical expenses, pay for a caretaker or housekeeper or cover the cost of needed home renovations. And, you can choose a lump sum, annual, semi-annual, quarterly or monthly payouts depending on what works best for your situation.³

We don't provide tax advice, but we do help coordinate benefits from all sources to help ensure the accelerated benefits taken fall within certain IRS limitations and will qualify for favorable tax treatment. Consult your personal tax advisor prior to using the Chronic Illness Accelerated Benefit Rider.

²The healthcare practitioner must not be the policy owner, insured, beneficiary or a relative as defined in the policy. Your financial professional can provide details about excluded relatives.

³The maximum amount that may be accelerated from a policy is \$5 million. Amounts available annually are subject to policy limits and IRS calendar year limits.

**THE PENN MUTUAL
LIFE INSURANCE COMPANY**

About The Penn Mutual Life Insurance Company

For more than 175 years, Penn Mutual has been helping people get stronger. Our expertly crafted life insurance is vital to long-term financial health and strengthens people's ability to enjoy every day. Working with our trusted network of financial professionals, we take the long view, building customized solutions for individuals, their families, and their businesses. Penn Mutual supports its financial professionals with retirement and investment services through its wholly-owned subsidiary Hornor, Townsend & Kent, LLC, member FINRA/SIPC.

Visit Penn Mutual at www.pennmutual.com.



Disclosures

All guarantees are based on the claims-paying ability of the issuer.

The Chronic Illness Accelerated Benefit Rider is a benefit rider offered on certain permanent life insurance policies issued by The Penn Mutual Life Insurance Company (rider form number ICC15-ABCI) and The Penn Insurance & Annuity Company (rider form number ICC15-PI-ABCI). Rider form numbers and benefits may vary by state. In New York, The Chronic Illness Accelerated Benefit Rider is a benefit rider offered on certain permanent life insurance policies issued by The Penn Insurance and Annuity Company of New York (rider form PINY-ABCI-20). The Penn Insurance & Annuity Company and The Penn Insurance and Annuity Company of New York are wholly-owned subsidiaries of The Penn Mutual Life Insurance Company.

The maximum amount that may be accelerated from a policy is \$5 million. Amounts available annually are subject to policy limits and IRS calendar year limits. For survivorship policies, the rider may only be exercised after the first death.

Any reference to the taxation of life insurance products in this material is based on the issuing company's understanding of current tax laws. The issuing company, its subsidiaries and its representatives do not provide tax or legal advice. You should consult your tax advisor regarding your personal situation.

This material is intended to provide an overview of the product or concept described. All information, including product features, availability, rates and other provisions is believed to be accurate as of July 2023 and is subject to change.

ACCELERATED DEATH BENEFIT – CHRONIC ILLNESS ACCELERATED DEATH BENEFIT DISCLOSURE FOR NEW YORK RESIDENTS:

Receipt of the accelerated death benefits may affect eligibility for public assistance programs. Receipt of the accelerated death benefits may be taxable.

The Chronic Illness Accelerated Benefit Rider is a life insurance policy provision that allows the policyholder to accelerate the death benefit in the event the insured becomes chronically ill. It is not a health insurance policy that provides long-term care insurance in accordance with the minimum requirements of New York law. It does not qualify for the New York State Long Term Care Partnership Program and is not a Medicare Supplement policy.

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